

MINUTES

Greenwood City Council Meeting

7pm, Wednesday, August 2, 2023

Deephaven Council Chambers

20225 Cottagewood Road, Deephaven, MN 55331



WORKSESSION

1. CALL TO ORDER | ROLL CALL | APPROVE MEETING AGENDA

2. Discuss 2024 City Budget and Fees

The council discussed the draft of the 2024 budget and made line-item changes. The council did not have time to discuss fees at the worksession. The budget and fees will be discussed at the worksession prior to the city council meeting at 5:30pm 09.06.23.

3. ADJOURNMENT

REGULAR MEETING

1. CALL TO ORDER | ROLL CALL | APPROVE MEETING AGENDA

Mayor Kind called the meeting to order at 7:02pm.

Members Present: Councilmembers Tom Fletcher, Bill Cook, Kristi Conrad, and Mayor Deb Kind

Members Absent: Councilmember Brian Malo

Staff Members Present: City Zoning Administrator Scott Richards, City Engineer Jeffrey Weyandt, and City Assistant Administrator Shanda Wilhelmy (via Zoom)

Fletcher requested to amend the agenda to add item 7C to discuss short term rental enforcement. Motion by Kind to approve the agenda as amended. Second by Cook. Motion passed 4-0.

2. CONSENT AGENDA

A. Approve: 07.13.23 City Council Meeting Minutes

B. Approve: June Profit & Loss

C. Approve: YTD Profit & Loss Budget vs. Actual

D. Approve: June Cash Summary

E. Approve: July Check Detail

F. Approve: August Payroll Report

G. Approve: Authorization to Send 12.06.23 7pm Budget Comment Opportunity to County

Motion by Kind to approve the consent agenda. Second by Conrad. Motion passed 4-0.

3. MATTERS FROM THE FLOOR

A. NONE.

4. PRESENTATIONS, REPORTS, GUESTS, AND ANNOUNCEMENTS

A. Police Chief Brian Tholen: Quarterly Police Update, 2024 Budget

SLMPD Chief Brian Tholen presented a quarterly update to the city council. The SLMPD chief attends Greenwood council meetings on a quarterly basis to give the council a brief update regarding police activities in the city and South Lake area. This also is an opportunity for the council to have a discussion with him regarding issues and concerns. Quarterly police updates are presented at the February, May, August, and November council meetings.

2024 Budget

The South Lake Minnetonka Police Department coordinating committee (mayors of Excelsior, Greenwood, Shorewood, and Tonka Bay) unanimously recommend approval of the operating budget (attached in the council packet) which includes a **4.5%** overall increase. Chief Tholen indicated that Greenwood's portion would be a **3.8%** increase from the current year.

The funding formula used to determine each member city's percentage contribution toward the operating budget is based on an arbitration ruling in 2006. Every five years the funding formula is subject to an automatic adjustment based on the criteria set forth in this ruling. The 2022 operating budget was the third time since the ruling took

effect that the funding formula was subject to adjustment. Barring an amendment to the JPA, the reset funding formula is not subject to change again until 2027.

According to the 2006 4th amendment to the SLMPD joint cooperative agreement, the budget MUST be approved by ALL of the member city councils by September 1, or the amount of the previous year's Approved Annual Operating Budget will be increased by the lesser of the following:

- a) The increase in the July Minneapolis / St. Paul Consumer Price Index for All Urban Consumers (CPI-U) over the previous 12-month period; or
- b) The percentage increase in the most restrictive statutory levy limit applicable to the budget year placed on any of the Parties over the levy limit for that Party for the prior year.
- c) In the event that (a) or (b) decreases, the operating budget shall remain the same. This provision applies only to operating expenses not governed by wage or benefit increases required by any union contracts. All Parties must pay wage or benefit increases as required by union contracts; other expenses can have ceilings applied per the above formula.

Motion by Fletcher that the Greenwood city council approves the 2024 South Lake Minnetonka Police Department operating budget as presented. Second by Cook. Motion passed 4-0.

B. Fire Chief Mackey: 2024 Excelsior Fire District Budget

Excelsior Fire District Chief Curt Mackey presented the EFD proposed 2024 budget (attached in council packet) to the city council and answered council questions. EFD contributions are based solely on tax capacity. The proposed budget is the same total amount as the 2023 budget. However, Greenwood's portion of the budget will increase 4.44% since tax capacity increased for Greenwood this year. The budget uses the latest tax capacity numbers posted on the county website. The tax capacity number for Shorewood is lower than the amount shown on the county website, because it does not include the tax capacity for the properties located on the islands served by Mound FD.

Each city council in the EFD must take action on the budget. 3 of 5 cities must approve the operating budget. 4 of 5 cities must approve the facilities / capital budget.

Motion by Fletcher that the Greenwood city council approves the final recommended draft of the 2024 Excelsior Fire District operating budget and facilities / capital budget as presented. Second by Cook. Motion passed 4-0.

C. City Engineer: Jeffrey Weyandt (on behalf of Dave Martini) – Project Recommendations (Mtka. Blvd. Trail Update & Meadville Culvert Quote)

City Engineer, Jeffrey Weyandt, attended the council meeting on behalf of Dave Martini for item 4C which was continued from the July council meeting. The Minnetonka Boulevard Trail project is detailed below.

Plans and specifications for the **Minnetonka Boulevard Trail Improvements Project** were included in the council packet. These documents were distributed to contractors for quotes and were due on June 14, 2023.

Minnetonka Blvd. Trail Project The section of trail across from Curve Street currently shares the shoulder of Minnetonka Blvd. To improve safety in this area, the trail is proposed to be moved away from the edge of the road and widened to 8'. The improvements will require a retaining wall on the north side of the trail and will result in a grass boulevard between the trail and the road. All the work will be performed in city Right of Way, but there is coordination with the property owners at 21620 Minnetonka Boulevard because the improvements will have an impact on the existing vegetative screen that exists between the road and the house. The property owners have agreed to the improvements with the understanding that the city will replace the vegetative screening. The estimated cost of these improvements is \$60,000.

Three contractors submitted bids ranging from \$117,643 to \$138,654.55. Martini recommended awarding the project to the low bidder, Sunram Construction, at the July meeting. Weyandt also recommended awarding the bid to Sunram Construction.

Motion by Fletcher that the public works committee work with city engineers to obtain better pricing for the Minnetonka Boulevard Trail Improvements Project to be funded from the Bridge Fund because this fund is fully funded and the funds may be used for any city purpose. Second by Conrad. Motion passed 4-0.

Dave Martini prepared a scope of service and fee estimate for Bolton & Menk to survey and mark the property boundaries at Greenwood Park that abut private property. This was sent after the council packet deadline. Council members were forwarded the estimate information. Details of the estimate are noted below.

Scope of Services

- Prepare a survey on Lots 140 to 143 Including Lots 149 And 151 Auditor's Subdivision No. 141 And Lots 70, 71, & 72 And 75 Meadeville Park, in Hennepin County, MN.
- Establish the boundary of the property based on the legal description provided.
- Establish the boundary of the existing parcel as it is to be staked in the field. The parent parcel legal description will be obtained from available online records in Hennepin County.
- Find and verify the exterior boundary of the subject parcel and place lath on portions of the park bordered by private property as directed.

Assumptions

- Except for obtaining copies of the current deeds on the property, no title research or easement research will be included with this survey.
- Title issues that may arise (gaps/overlaps, poor legal description, etc.) will be considered additional services and invoiced on an hourly basis.
- Surveying properties in your area is often challenging due to the age and poor quality of the original platting, and as such, Bolton & Menk, Inc. reserves the right to re-negotiate the estimated costs should the preliminary field work indicate there are substantial complicating circumstances regarding property boundaries that were not apparent prior to arriving at the site. This determination will be made as quickly as possible upon commencement of the survey.
- The description of the existing parcel is tied to five Government Section corners. There are many unknowns involved with locating five Section corners. It is anticipated substantial research and excavation work will be required to locate the necessary corners.

Cost

Depending on the complexity of the work, it is estimated a field crew will be required to be on site 8 to 16 hours. Fee Estimate Based on the scope of services and assumptions listed above, estimate of \$3,000.

Motion by Cook to approve the proposed scope of service and fee estimate submitted by Bolton & Menk to survey and mark the property boundaries at Greenwood Park that abut private property. Second by Fletcher. Motion passed 4-0.

D. Announcement: Tour de Tonka, 08.05.23, expect delays

E. Announcement: Budget & Fees Worksession, 5:30pm 09.06.23 (before regular council meeting)

5. PUBLIC HEARINGS

A. NONE

6. ACTION RELATED TO PUBLIC HEARINGS

A. NONE

7. PLANNING, ZONING & SUBDIVISION ITEMS

- A. Consider: 1st Reading: Ord 334 Amending Definitions of Structure (Primary Accessory) and Structure (Secondary Accessory) in Section 1102.00, Summary Res 14-23 for Publication (continued from 07.13.23 meeting)

Consider an amendment to City Code, Chapter 11, Section 1102. Definitions and amending Section 1140.10 Setbacks and General Regulations for Accessory Structures and Uses (Primary and Secondary) to add Subd. 9 allowing accessory buildings without a principal structure by Conditional Use Permit.

The City Council, at their July 14, 2022, and July 13, 2023, meetings discussed the issues of allowing an accessory structure without a principal structure on a lot. The owners of a lakeshore lot at 5170 Queens Avenue have inquired whether they could place an accessory structure without first constructing a single-family dwelling. The lot is jointly owned by families that use it for lakeshore access. An accessory building would be used for storage of lakeshore equipment. The City Council asked the Planning Commission to review the issue. The City Council reviewed the issue at their July 13, 2023, meeting and considered changes to the ordinance language. They continued the consideration to the August meeting to consider some additional clarifying language. The City Council should determine if the third condition, related to adjacent property owners should remain in the ordinance amendment. The definitions of structure including primary accessory, principal and secondary accessory are found as follows with the recommended revisions (attached in council packet).

The Planning Commission, at their June 14, 2023, meeting, opened the public hearing, (there were no public

comments), and recommended the amendments (attached in council packet).

Motion by Fletcher that the Greenwood city council continue item 7A to the September meeting to allow Councilman Malo an opportunity to vote on this ordinance change. Second by Conrad. Motion passed 4-0.

B. Consider: Resolution 16-23 for 21385 Minnetonka Boulevard Variance

Consider setback, wall height, tree removal, and building width variances to allow construction of a new single-family dwelling at 21385 Minnetonka Blvd.

Gonyea Custom Homes on behalf of Elizabeth Trader and Charles Thomas, are proposing to construct a single-family dwelling on the subject property. The property is zoned R-1, Single Family Residential District. The subject property is 54 feet by 150 feet or 8,018 square feet in size. PID 26-117- 23-42-0007.

The Planning Commission, at their July 12, 2023, meeting, recommended on a 2/1 vote the approval of the variances for 21385 Minnetonka Blvd.

The following requests have been made:

- A variance will be required for the front yard setback to Highview Place where 30 feet is required, and 18.4 feet is proposed.
- A variance is required for the east wall height where 16 feet 6 inches is allowed, but the structure will be 18 feet, 1 ½ inches.
- A variance is required to allow tree removal of over 20 percent of the significant trees as part of new construction.
- A variance to allow a building width of 24 feet. A minimum width of 25 feet is required.

Richards indicated that the fourth variance request was missed at the planning commission meeting to allow a building width of 24 feet. There was neighborhood opposition to this project, and he would like the council to send this item back to the planning commission for a special meeting to be held on 08.23.23, and to add this to the 09.06.23 city council agenda.

Motion by Fletcher to send item 7B back to the planning commission for a special meeting 08.23.23, and to continue this item to the 09.06.23 city council agenda. Second by Cook. Motion passed 4-0.

C. Discuss: Short Term Rental Enforcement

This item was added to the agenda due to the frequency of resident complaints regarding a home that is being rented out as a short-term rental at 5480 Maple Heights Road. City code chapter 3, section 320.30, subd. 7 states "Lease Term. In no event shall a residential rental property leasehold or sub-leasehold be for an initial term of less than 30 days, nor may such properties be leased to more than 2 tenant occupant groups in any one 4-month period." Richards has been in touch with the owner of the property numerous times, and the home is still being rented out according to neighbors. The property at 5370 Manor Road has also been identified as a short-term rental. Letters have been sent to both property owners notifying them of the Greenwood's ordinances concerning short-term rentals and licensing requirements.

8. UNFINISHED BUSINESS

A. Consider: Greenwood Market Tobacco and Gas Station Licenses for June-Dec 2023, 21380 State Hwy 7

At the June city council meeting, the council approved the tobacco and gas station licenses for the Greenwood Market through August 3, 2023. This item was added to the agenda for council consideration to extend the licenses beyond August 3, 2023.

A conditional use permit (CUP) for the property from 1982 is currently out of compliance. Some of the non-compliant items noted at previous meetings are the following: dumpster is not fully screened, no roof over the enclosure, earth tone colors are not used on the building and signs, a \$2,000 annual bond has not been received by the city, and daily removal of trash and debris from property. Councilman Fletcher sent a letter to the property owner on May 18, 2023 outlining areas of the CUP that are currently out of compliance and need to be remedied. This letter is attached to the council packet.

Councilman Fletcher provided an update to the council. Since the last meeting, Greenwood Market has been painted in earth tones on the front and sides of the building, but not yet on the back of the building. The glass on the front door has been replaced. Fletcher requested that the owner have the back painted as well as to pick up loose garbage and trash around the property on a daily basis.

Motion by Fletcher to extend the tobacco and gas station license for the Greenwood Market until 10.05.23.

Second by Kind. Motion passed 4-0.

B. Consider: Joint Powers Agreement – Deephaven / Greenwood Public Works Contract

A special meeting was held on May 25, 2023 for the council to discuss public works. The council discussed the increasing cost of public works services and concern regarding the long-term viability of the current public works contractor. The consensus of the council was for Councilman Fletcher and Councilman Cook to explore options and report back to the city council. At the July 13, 2023 city council meeting, the council discussed a concept for a public works agreement with the city of Deephaven. A proposed Joint Powers Agreement has been drafted for council consideration. The JPA was included in the council packet.

Motion by Fletcher that the city council approves the Joint Powers Agreement for public works services between the city of Deephaven and the city of Greenwood with the amended change to page 2 under “Cost of Services” to read “average percentage of street miles and total tax capacity on January 1 of the resolution year,” and authorizes the mayor to sign the agreement. Second by Cook. Motion passed 4-0.

9. NEW BUSINESS

A. Discuss: Greenwood Park Improvements

At the July 13, 2023 city council meeting, three Greenwood residents addressed the council about their concerns regarding repairs and maintenance needed at the tennis court and the park. Residents Katharine Krezowski of 5130 Meadville Street, Penelope Holt of 5110 West Street, and Diane Paulus of 5125 West Street all requested that the tennis courts be repaired, and that grass be planted around the court. Councilman Fletcher asked that this topic be added to the agenda for the August council meeting. Since that meeting, three more residents have sent in emails concerning the state of the tennis court and park. Emails from residents Colleen Kroening of 5260 Meadville Street, Dan Statsick of 21695 Fairview Street, and Julie Ekelund of 5085 Meadville Street were included in the council packet.

Councilwoman Conrad provided an update to the city council. Quotes were requested for repairing the tennis court. Cornerstone quoted \$4,250 and other companies bids were approximately \$15,000. There are problems with the retaining wall at the SW corner of the courts. Tree shading of the court is also a challenge to the deterioration of the court surface. Conrad suggested mark the court with pickleball lines so that the court could be used for both tennis and pickleball, and to keep the tennis backboard at the court. Councilman Cook inquired if it could be a multi-use court that could be used for pickleball, tennis, and basketball. Mayor Kind wants the shade trees kept at the courts.

Motion by Kind to authorize Conrad to contract with Cornerstone in an amount not to exceed \$5,000 to repair the retaining wall at the southwest corner of the tennis court. Second by Fletcher. Motion passed 3-1, with Cook voting nay.

Cook voted nay as he would like Cornerstone to do the landscaping work at the courts, but to also have the landscaping work to be done in conjunction with the surface repair work. Conrad will obtain bids for the surface repair portion of the courts, with costs for resurfacing the courts vs. costs for installing sport court tiles.

Motion by Fletcher to withdraw the previous motion passed. Second by Kind. Motion passed 4-0.

B. Consider: Minnetonka Contract – Permits & Inspections

At the July 13, 2023 city council meeting, Councilman Fletcher and Mayor Kind discussed their meeting with Minnetonka staff regarding contract changes to the building inspection and plan review process. The new process would have Minnetonka staff process all permits for Greenwood, as well as conduct all inspections based on a new fee schedule. With the current contract Greenwood pays Minnetonka for inspections only on an hourly basis. If this change is made Minnetonka would process the permits and conduct inspections, and this change would also allow permit fees to be paid online, which is currently not an option for Greenwood permits. Consensus of the council is to have Minnetonka to provide full service for Greenwood permits. This item was added to the agenda for further council discussion.

Council Fletcher provided an update on the proposed contract with Minnetonka. With the proposed new fee schedule, Minnetonka would charge Greenwood 75% of the plan review fees. Fletcher was able to negotiate that percent down to 65%. Permit revenue under the proposed contract would increase from \$45,746 to \$59,063. Net proceeds to Greenwood would also increase from \$31,841 to \$37,060.

Motion by Fletcher that the city council authorize the mayor to enter into a contract with Minnetonka to provide permit processing and inspection services for the city of Greenwood. Second by Cook. Motion

passed 4-0.

10. OTHER BUSINESS

A. NONE

11. COUNCIL REPORTS

A. Conrad: Lake Minnetonka Communications Commission, Park & Tennis Court

- LMCC – No report.
- Park & Tennis Court – Discussed earlier on agenda.

No council action taken.

B. Cook: LMCD, SABLID, Public Works Committee, City Docks

- LMCD – No report.
- SABLID – No report.
- Public Works – No report.
- City Docks – No report.

No council action taken.

C. Fletcher: Fire, Administrative Committee

- Administrative Committee – No report.
- Fire – Chief Mackey presented the EFD budget information at this meeting. The EFD budget was approved at this meeting. Although there was no increase in the budget from 2023 to 2024, Fletcher anticipates that the 2025 budget will see significant increases.

View report at LMCC-TV.org. No council action taken.

D. Kind: Police, Administrative Committee, Public Works Committee, Mayors' Meetings

- Police – Chief Tholen presented the SLMPD quarterly update at this meeting. Excelsior has not signed the JPA yet. Mayor Kind expects that Excelsior will sign the agreement, but the SLMPD coordinating committee will hold a special meeting to discuss a possible JPA version that does not include Excelsior as a Plan B.
- Administrative Committee –
Cannabis discussion will be on the agenda for the September city council meeting.
The state legislature passed a new sales tax metro-wide this legislative session. It includes 0.25% for housing, and 0.75% for transportation.
- Public Works Committee – The new public works contract was discussed in item 8B.
- Mayors' Meetings – No report.

View report at LMCC-TV.org. No council action taken.

E. Malo: Planning Commission, Minnetonka Community Education

- Planning Commission – No report. Malo not present.
- Minnetonka Community Education – No report. Malo not present.

No council action taken.

12. ADJOURNMENT

Motion by Kind to adjourn the meeting at 9:17pm. Second by Conrad. Motion passed 4-0 .

This document is intended to meet statutory requirements for city council meeting minutes. A video recording was made of the meeting which provides a verbatim account of what transpired. The video recording is available for viewing at lmcc-tv.org for 1 year.